

UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF NEW YORK

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UNITED STATES OF AMERICA, : 10-CR-288(  
: [!JUDGE'S INITIALS])  
:

-against-

: United States Courthouse  
: Brooklyn, New York  
:

LUIS AGUSTIN CAICEDO  
VALENDIA,

: Wednesday, January 23, 2013  
: 2:30 P. M.  
:

Defendant.

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**S E A L E D P R O C E E D I N G S**

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SEALED TRANSCRIPT OF CRIMINAL CAUSE FOR PLEA  
BEFORE THE HONORABLE LEO I. GLASSER  
UNITED STATES SENIOR DISTRICT COURT JUDGE

**A P P E A R A N C E S:**

For the Government: LORETTA E. LYNCH, ESQ.

United States Attorney  
Eastern District of New York  
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Brooklyn, New York 11201

BY: SOUMYA DAYANANDA, ESQ.  
Assistant United States Attorney

For the Defendant: LOUIS I. GUERRA, ESQ.

Court Reporter: Richard W. Barry, RPR  
Official Court Reporter  
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Proceedings recorded by computerized stenography.  
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1           COURTROOM DEPUTY: Criminal cause for plea, the  
2 United States versus Luis Agustin Caicedo Velendia, please  
3 come forward.

4           MS. DAYANANDA: Afternoon Your Honor.

5           COURTROOM DEPUTY: Counsel please state your  
6 appearances for the record.

7           MS. DAYANANDA: Soumya Dayananda for the government.

8           MR. GUERRA: Afternoon, Louis Guerra on behalf of  
9 Mr. Velendia, who I believe is in the lock up.

10          THE COURT: Afternoon.

11          MR. GUERRA: Here is the original.

12          MS. DAYANANDA: I have to sign it.

13          THE COURT: Are you ready to proceed?

14          MR. GUERRA: I'm sorry.

15          THE COURT: Are you ready to proceed?

16          MR. GUERRA: Yes, sir.

17          THE COURT: Do I understand that your client wishes  
18 to withdraw a previously entered plea of not guilty and plead  
19 to count one of an indictment?

20          MR. GUERRA: That's correct, Your Honor.

21          THE COURT: Will you swear the defendant.

22 LUIS AGUSTIN CAICEDO VALENDIA , having been first duly  
23 sworn, with the aide of the Interpreter, testified as follows:

24          THE COURT: Mr. Velendia, you just swore to tell the  
25 truth, so everything you are going to say to me this afternoon

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1 must be truthful, if you don't want to commit another crime,  
2 which is to tell a lie after you swore to tell the truth, that  
3 is a crime.

4 Do you understand that?

5 THE DEFENDANT: Yes, sir.

6 THE COURT: How old are you?

7 THE DEFENDANT: 46 years old.

8 THE COURT: Are you currently being treated by a  
9 doctor?

10 THE DEFENDANT: Yes, sir.

11 THE COURT: For what?

12 THE DEFENDANT: Well, it is just a regular checkups.

13 THE COURT: Have you taken any medicines or pills or  
14 drugs of any kind within the past day or so?

15 THE DEFENDANT: No, sir.

16 THE COURT: Have you ever been treated for or  
17 hospitalized for any mental or emotional illness?

18 THE DEFENDANT: No, sir.

19 THE COURT: How a far have you gone in school, Mr.  
20 Velendia?

21 THE DEFENDANT: High school.

22 THE COURT: Do you understand why you are here?

23 THE DEFENDANT: Yes, sir.

24 THE COURT: Have you understood everything I have  
25 said to you so far?

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1 THE DEFENDANT: Yes, sir.

2 THE COURT: Mr. Guerra, do you have any questions  
3 about the competence of your client to participate in these  
4 proceedings?

5 MR. GUERRA: No, sir.

6 THE COURT: I will make a finding to that effect.

7 Mr. Velendia, I am told that you want to plead to a  
8 charge, which reads:

9 That on or about and between January 1st, of 2002  
10 and June 7th of 2010, those dates being approximate and  
11 inclusive, and within the territorial jurisdiction of the  
12 United States, you, Luis Augustin Caicedo Velendia, also known  
13 as Don Lucho; Julio Lozano Pirateque, also known as Don Julio,  
14 Don Jota, and Patico; Claudio Javier Silva Otalora, also known  
15 as Patron and Vendedor; and Daniel Barrera Barrera, also known  
16 as Loco Barrera, together with others, knowingly and  
17 intentionally conspired to conduct financial transactions  
18 affecting interstate and foreign commerce, mainly the transfer  
19 and delivery of the United States currency, which involved the  
20 proceeds of narcotics trafficking, in violation of the United  
21 States laws, and knowing that the property involved in the  
22 delivery and transfer of United States money represented the  
23 proceeds of some form of unlawful activity, and all with the  
24 intent to promote the carrying on of the specified unlawful  
25 activity, in violation of the United States laws and knowing

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1 that the financial transactions involving the United States  
2 currency were designed in whole and in part to conceal and  
3 disguise the nature, the location, the source, ownership and  
4 control of the proceeds specified unlawful activity in  
5 violation of the United States laws.

6 You have discussed that charge in some detail with  
7 your lawyer?

8 THE DEFENDANT: Yes, Your Honor.

9 THE COURT: Do you understand what it is that you  
10 are charged with?

11 THE DEFENDANT: Yes, Your Honor.

12 THE COURT: I understand, you want to plead guilty  
13 to that charge Mr. Velendia and before I can accept your plea,  
14 the law requires me to make sure that you understand the  
15 variety of rights that you have, as you stand here this  
16 afternoon, and I am going to try to explain them to you.

17 If there is anything that I explain that you don't  
18 understand, don't hesitate to tell me. I will try to go over  
19 it with you again or ask your lawyer to explain it to you.

20 Do you understand all that?

21 THE DEFENDANT: Yes, Your Honor.

22 THE COURT: First thing I want to make sure you  
23 understand, Mr. Velendia, is that you have a right to say to  
24 me this afternoon, that you are not guilty of the charge that  
25 I just read and to all the other charges in which you are

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1 named in this superseding indictment.

2 And if you tell me as you have a right to, that you  
3 are not guilty of the crimes of which you are charged, there  
4 will be a public trial. It will be a trial to a jury. It  
5 will be a trial that will be held within the time the law  
6 requires trials to be held. You will be represented by your  
7 lawyer at that trial and at that trial, you maybe presumed  
8 innocent of the crimes with which you are charged.

9 Which means, that you would not have to prove your  
10 innocence, you would not have to prove anything. The  
11 government would have to prove your guilt. The government  
12 would have to prove that you committed the crimes with which  
13 you are charged, and committed them so that a unanimous jury  
14 of twelve people would be satisfied beyond a reasonable doubt  
15 that you committed those crimes.

16 Do you understand that?

17 THE DEFENDANT: Yes, Your Honor.

18 THE COURT: At that trial, you would have the right  
19 to face your accusers, see who the witnesses against you would  
20 be.

21 Your lawyer would have the right to cross examine  
22 those persons for you and he would have the right to object to  
23 any evidence which he believes the Court shouldn't hear.

24 Do you understand that?

25 THE DEFENDANT: Yes, Your Honor.

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1 THE COURT: At that trial, you could if you wanted  
2 to, testify under oath for yourself. You could have witnesses  
3 appear to testify for you. You could offer such evidence at  
4 your trial as you think might be useful to you, but you  
5 needn't do any of those things. You have a right to remain  
6 silent at your trial, say nothing and do nothing.

7 And if you did remain silent, at your trial, and did  
8 nothing else, I would instruct the jury that they must not  
9 infer that you are guilty because you are not saying anything.  
10 Offered no evidence on your behalf.

11 I would instruct the jury that the constitution of  
12 the United States gives you that right, the right to remain  
13 silent for a variety of reasons.

14 Do you understand all that?

15 THE DEFENDANT: Yes, Your Honor.

16 THE COURT: If you plead guilty this afternoon, and  
17 if I accept your plea, you will be giving up all these rights  
18 that I just explained to you. There will not be a trial, the  
19 government will not be called upon to prove that you committed  
20 the crimes with which you are charged, to the satisfaction of  
21 the unanimous jury beyond a reasonable doubt. You will not  
22 have had the opportunity to see who the witnesses against you  
23 would have been.

24 A finding of guilt will be entered this afternoon  
25 and you will be sentenced on another day.

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1 Do you understand that?

2 THE DEFENDANT: Yes, Your Honor.

3 THE COURT: If you were listening carefully, Mr.  
4 Velendia, you would have heard me say, a minute or so ago,  
5 that if you plead guilty, and if I accept your plea, and what  
6 I had in mind when I said that, was the laws' requirement that  
7 I be certain that the person who tells me he is guilty, in  
8 fact is.

9 And I'm going to ask you some questions about the  
10 crime you are charged with, that I read to you a few minutes  
11 ago and to the extent that you answer those questions, you  
12 will be giving up your right to remain silent that I have  
13 explained to you awhile ago.

14 Do you understand that?

15 THE DEFENDANT: Yes, Your Honor.

16 THE COURT: Did your lawyer tell you that the  
17 maximum sentence for the law that you are charged with  
18 violating, provides for imprisonment for up to twenty years.  
19 Did he tell you that?

20 THE DEFENDANT: Yes, Your Honor.

21 THE COURT: Did he also tell you that in addition to  
22 any term of imprisonment, the Court could add a period of  
23 supervised release, of up to three years.

24 THE DEFENDANT: Yes, Your Honor.

25 THE COURT: Did your lawyer explain to you what



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1 supervised release means?

2 THE DEFENDANT: Yes, Your Honor.

3 THE COURT: Do you believe you understand it?

4 THE DEFENDANT: Yes, Your Honor.

5 THE COURT: Would you like me to explain it to you  
6 as well or do you think you understand it well enough so that  
7 I needn't explain it?

8 THE DEFENDANT: Yes, I understood Your Honor.

9 THE COURT: And, did Mr. Guerra also tell you, you  
10 could be find up to \$500,000 or twice the value of the money  
11 that was laundered, did he tell you that?

12 THE DEFENDANT: Yes, Your Honor.

13 THE COURT: Did Mr. Guerra would have to prove also  
14 tell you that regardless of what the sentence is, you will be  
15 required to pay what has been referred to as a special  
16 assessment of \$100, it is mandatory.

17 THE DEFENDANT: Yes, Your Honor.

18 THE COURT: Were you also told that you will be  
19 required to forfeit the proceeds of your illegal activity?  
20 Were you told that?

21 THE DEFENDANT: Yes, Your Honor.

22 THE COURT: You understand what that means?

23 THE DEFENDANT: Yes, Your Honor.

24 THE COURT: Were you also told that the likelihood,  
25 is significant that after your sentence has been served, you

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1 will be deported.

2 THE DEFENDANT: Yes, Your Honor.

3 THE COURT: Did Mr. Guerra also talked to you about  
4 something that he probably referred to as guidelines.

5 THE DEFENDANT: Yes, Your Honor.

6 THE COURT: He told you that, your sentence will be  
7 determined in part by the advice that I will be getting from a  
8 book called the United States sentencing guidelines. Did he  
9 tell you that that book would advise me of what your sentence  
10 should be, within a certain minimum amount of months and  
11 maximum amount of months, did he explain that to you?

12 THE DEFENDANT: Yes, Your Honor.

13 THE COURT: Was some prediction made, estimate given  
14 to you as to what those guidelines might be?

15 THE DEFENDANT: Yes, Your Honor.

16 THE COURT: I want to tell you Mr. Velendia, that  
17 what you were told about what the guidelines might advise the  
18 Court, is not binding on me. It was just an educated guess, a  
19 prediction based on what was known about you at the time you  
20 were told that. I don't know what the guidelines will advise,  
21 nor will I know what your sentence will be until after I have  
22 had an opportunity to read a presentence report and consider  
23 such other matters as maybe brought before me at the time of  
24 sentence.

25 You know what a presentence report is, Mr. Velendia?

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1 THE DEFENDANT: Yes, Your Honor.

2 THE COURT: If the sentence which is imposed is  
3 higher than what has been predicted for you, and you are  
4 understandably unhappy about that, you wouldn't be permitted  
5 to withdraw the plea that you enter here this afternoon. Do  
6 you understand that?

7 THE DEFENDANT: Yes, Your Honor.

8 THE COURT: Do you have any questions about anything  
9 that I have explained to you so far?

10 THE DEFENDANT: No, Your Honor.

11 THE COURT: Mr. Guerra, are you aware of any reasons  
12 why Mr. Velendia shouldn't plead to count one of the  
13 superseding indictment today?

14 THE DEFENDANT: No, sir.

15 THE COURT: Mr. Velendia, how do you plead to that  
16 charge of money laundering or conspiracy to commit money  
17 laundering that I read to you a few minutes ago, do you plead  
18 guilty or not guilty?

19 THE DEFENDANT: Guilty.

20 THE COURT: Are you telling me that voluntarily?

21 THE DEFENDANT: Yes, Your Honor.

22 THE COURT: Nobody is forcing you to say that here  
23 today, are they?

24 THE DEFENDANT: No, sir.

25 THE COURT: And you are telling me, you are guilty,

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1 in consideration of an agreement that you entered into with  
2 the government?

3 THE DEFENDANT: No, sir.

4 THE COURT: You did enter into an agreement with the  
5 government?

6 THE DEFENDANT: Yes, sir.

7 THE COURT: And it is in connection with that  
8 agreement that you are pleading guilty here today; is that  
9 right?

10 THE DEFENDANT: Yes, sir.

11 THE COURT: You went over that agreement with your  
12 lawyer?

13 THE DEFENDANT: Yes, sir.

14 THE COURT: Would you like me to go over it with you  
15 as well?

16 THE DEFENDANT: No, sir.

17 THE COURT: There are a few things that I just want  
18 to make sure that is correct. You stipulated, which means  
19 that you have agreed, that the guideline calculation will be  
20 based upon four hundred million dollars. You understand that  
21 and you agree to that?

22 THE DEFENDANT: Yes, sir.

23 THE COURT: And Mr. Guerra, has discussed with you,  
24 in some detail, the immigration problems that you may have as  
25 a result of your pleading guilty here today?

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1 THE DEFENDANT: Yes, sir.

2 THE COURT: And you are satisfied with the  
3 representation that you have been receiving from Mr.  
4 Government would have to prove?

5 THE DEFENDANT: Yes, sir.

6 THE COURT: I want to show you the last page of this  
7 agreement that you entered into. Do you recognize any  
8 signature on that page.

9 THE DEFENDANT: Yes, sir.

10 THE COURT: Whose signature do you recognize?

11 THE DEFENDANT: Mine.

12 THE COURT: Before you signed your signature on that  
13 page, did you read or did your-- did the interpreter or  
14 somebody interpret for you what was written immediately above  
15 your signature?

16 THE DEFENDANT: Yes, sir.

17 THE COURT: What was immediately above your  
18 signature, was interpreted for you to read that, you have read  
19 the entire agreement? You discussed it with your lawyer, you  
20 understood all of its terms and you have entered into this  
21 agreement knowingly and voluntarily?

22 THE DEFENDANT: Yes, Your Honor.

23 THE COURT: You certified to all of that at the time  
24 you put your signature to this page; is that right?

25 THE DEFENDANT: Yes, Your Honor.

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1 THE COURT: Has anybody made any promises to you as  
2 to what your sentence will be?

3 THE DEFENDANT: No, Your Honor.

4 THE COURT: I think I told you, I don't know what  
5 your sentence will be, Mr. Velendia, anybody has made any  
6 promises to you, they would be misleading you. Do you  
7 understand that?

8 THE DEFENDANT: Yes, Your Honor.

9 THE COURT: Now, the charge which I have read to  
10 you, is the charge of conspiracy. Had you gone to trial, Mr.  
11 Velendia, the government would have had to prove two things,  
12 before a jury would be justified in finding you guilty.

13 The government would have to prove that there was a  
14 conspiracy as charged and that you were a member of that  
15 conspiracy and you became a member of it knowingly, and  
16 voluntarily.

17 So the government would have to prove two things,  
18 the government would have to prove first, that there was a  
19 conspiracy and second, that you were a party to it.

20 A conspiracy Mr. Velendia is very simply defined as  
21 an agreement. That is the key, the heart of a conspiracy. An  
22 agreement between two or more people, you being one of them,  
23 to commit a crime.

24 When I say the government would have to prove that  
25 there was an agreement between you and one or more of the

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1 other persons whose names I have read to you. I don't mean to  
2 suggest that the government would have to prove that you  
3 signed a written contract to launder money. It would be  
4 enough if the government had satisfied the jury, that you and  
5 one or more other persons had a meeting of the minds, common  
6 understanding, that you were going to launder money.

7 And the second thing the government would have to  
8 prove is that you were a party to that agreement, fully  
9 understanding what you were agreeing to and agreeing to it  
10 voluntarily.

11 So I am going to ask you Mr. Velendia, did you and  
12 Julio Pirateque, Claudio Otalora, Daniel Barrera, one or more  
13 of the other persons whose names I mentioned, have an  
14 agreement, that you would deliver United States currency,  
15 money, which the indictment refers to as financial  
16 transactions. Did you agree to these financial transactions,  
17 money that you knew came from drug trafficking, and the  
18 purpose of that agreement was to promote the drug trafficking  
19 activity and you also know that those financial transactions,  
20 the monies that were being delivered, were conducted in away  
21 to hide where the money came from and who controlled or owned  
22 the money, and to hide the fact that the money came from drug  
23 trafficking.

24 Did you have such an agreement to do all that, with  
25 one or more other persons?

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1 THE DEFENDANT: Yes, Your Honor.

2 THE COURT: You were a party to that agreement,  
3 fully understanding what it was that you were agreeing to.

4 THE DEFENDANT: Yes, Your Honor.

5 THE COURT: And that was between January of 2002, to  
6 June of 2010?

7 THE DEFENDANT: Yes, sir.

8 THE COURT: What is this extraterritorial  
9 jurisdiction that is referred to Mrs. Dayananda?

10 MS. DAYANANDA: Your Honor, the defendant was the  
11 leader of a drug organization based in Columbia, so the money  
12 proceeds would come from the general New York City area  
13 through Mexico and ended up in Columbia.

14 THE COURT: So this conspiracy, this agreement to  
15 launder this money from drug trafficking, involved money that  
16 would be traveling from the United States to Columbia or from  
17 the United States to Mexico, and then to Columbia; is that  
18 correct?

19 THE DEFENDANT: Yes, Your Honor.

20 THE COURT: Is there anything that I have omitted  
21 ma'am?

22 MS. DAYANANDA: No, Your Honor.

23 THE COURT: Mr. Guerra?

24 MR. GUERRA: No, sir.

25 THE COURT: Mr. Velendia, has been fully advised. I



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1 am satisfied that he pleaded guilty to count one of a  
2 superseding indictment, which is 10-CR-288, there is a factual  
3 basis of that plea and I will accept it.

4 We will need a date for sentencing.

5 COURTROOM DEPUTY: May 8th, twelve noon.

6 THE COURT: Is that date satisfactory?

7 MR. GUERRA: Yes, Your Honor, thank you.

8 MS. DAYANANDA: Yes, Your Honor.

9 THE COURT: Anything else.

10 MS. DAYANANDA: Not from the government.

11 MR. GUERRA: Not from the defense either.

12 MS. DAYANANDA: Thank you, have a good afternoon.

13 THE COURT: That is-- today's proceeding needn't be  
14 sealed?

15 MS. DAYANANDA: Yes, Your Honor.

16 As for the basis of the plea and the agreement  
17 itself, the government would ask that it-- the document remain  
18 sealed as well as the proceedings.

19 THE COURT: Because there is a compelling interest  
20 that it should be?

21 MS. DAYANANDA: Your Honor, the defendant has been  
22 and continues to work with the government based on that  
23 reason.

24 THE COURT: So ordered.

25 I take it you want a caveat that a copy of these

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1 minutes maybe made available to you, or Mr. Guerra, upon  
2 request?

3 MS. DAYANANDA: Thank you.

4 MR. GUERRA: Yes.

5 THE COURT: So ordered.

6 MR. GUERRA: Thank you, Your Honor.

7 THE COURT: You're welcome.

8 (Matter concluded.)

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